

03/01/2000 02:14:48 PM

Page 1

# **1999 DRAFTING REQUEST**

## **Assembly Substitute Amendment (ASA-AB802)**

Received: **03/01/2000**

Received By: **kenneda**

Wanted: **As time permits**

Identical to LRB:

For: **Legislative Fiscal Bureau 266-3847**

By/Representing: **Rachel Carabell**

This file may be shown to any legislator: **NO**

Drafter: **kenneda**

May Contact:

Alt. Drafters:

Subject: **Health - miscellaneous**

Extra Copies: **ISR**

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### **Pre Topic:**

No specific pre topic given

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### **Topic:**

Reduce appropriations to one appropriation

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### **Instructions:**

See Attached

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### **Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	kenneda 03/01/2000	csicilia 03/01/2000		_____			
/1			martykr 03/01/2000	_____	lrb_docadmin 03/01/2000	lrb_docadmin 03/01/2000	

FE Sent For:

<END>

03/01/2000 11:40:19 AM  
Page 1

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/?	kenneda	1 cjs 3/1 oo	km 3 1	km 3 1			

FE Sent For:

<END>



**Legislative Fiscal Bureau**

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

Date: 3/1/00

DELIVER TO:

Deborah Kennedy, LRB

Addressee Fax #:

4-8522

Addressee Phone #:

\_\_\_\_\_

# of Pages, Including Cover:

6

Sender's Initials:

\_\_\_\_\_

From:

Rachel Casakell

Message:

re: elderly nutrition amendment  
Please see page 3 of the memo.  
thx!

**Legislative Fiscal Bureau**

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

March 2, 2000

TO: Members  
Joint Committee on Finance

FROM: Bob Lang, Director

SUBJECT: 1999 Assembly Bill 802/Senate Bill 294: Elderly Nutrition Funding

Senate Bill 294 and Assembly Bill 802 would provide supplemental funds for the elderly nutrition program administered by the Department of Health and Family Services (DHFS). SB 294 would provide \$1,075,000 GPR annually and AB 802 would provide \$1,000,000 (all funds) in 2000-01 for the program. SB 294 was introduced on November 24, 1999, and referred to the Senate Committee on Human Services and Aging. On January 25, 2000, that Committee recommended the bill for passage by a vote of five to zero. On February 1, 2000, the bill was referred to the Joint Committee on Finance. AB 802 was introduced on February 24, 2000, and referred to the Joint Committee on Finance.

**BACKGROUND**

**Elderly Nutrition Program.** DHFS is currently budgeted \$5,463,700 GPR and \$9,766,100 FED annually to support congregate and home-delivered meals for the elderly. Federal funding is authorized under Title III of the Older Americans Act and available from the federal Administration on Aging. The funds are distributed to the state's six area agencies on aging which, in turn, distribute the funding to counties and tribes. Under federal law, the funding for these programs must be used for programs that provide at least one meal per day at least five or more days per week, except in rural areas where such frequency is not feasible.

DHFS uses a formula to distribute the funding to counties so that funding is targeted to those areas in the greatest economic or social need due to poverty, functional impairment, ethnic/minority status and geographic isolation. The formula uses the following factors to weight the distribution of funding: (a) the number of low-income elderly; (b) number of individuals over the age of 75; (c) elderly population that are members of an ethnic or racial minority; and (d) the number of elderly living in rural areas.

Eligible recipients must be 60 years of age or older. Non-elderly spouses and non-elderly disabled individuals may receive meals if the cost of the meals is covered by the individual's contribution. Funding may also be used for outreach, nutrition education and other related services. There are no financial eligibility criteria. However, an evaluation of the program found that, nationally, 80 to 90 percent of program participants have incomes below 200 percent of the federal poverty level. Voluntary contributions are accepted from program participants.

In addition to funding distributed by DHFS, agencies may receive reimbursement from the U.S. Department of Agriculture (USDA) for each meal served. In 1999, the USDA reimbursed agencies over \$3.0 million for meals provided to the elderly. The USDA estimates that its reimbursement rate for federal fiscal year 1999-00 will be \$0.5404 per meal. Counties also contribute funding to support the costs of providing meals. In 1998, counties provided approximately \$6.6 million for meals for the elderly.

Meals are provided to participants in congregate settings at over 600 meal sites across the state or delivered to homebound individuals. In 1998, approximately 2.9 million meals were provided to 83,754 individuals in congregate settings and approximately 2.6 million meals were delivered to 21,748 individuals in their home. According to the Wisconsin Association of Nutrition Directors, the average age of participants is 76 years of age for participants in congregate settings and 81 years of age for participants receiving home-delivered meals.

The attachment to this memorandum provides historical information on the number of persons served, the number of meals provided and available funding for the DHFS elderly nutrition program.

**Tribal Gaming Revenue.** Tribal gaming revenue provided to the state under the state-tribal gaming compact amendments is estimated to total \$21.5 million in 1999-00 and \$24.0 million in 2000-01. In addition, the tribes pay the state a combined total of \$350,000 annually for state regulatory costs as well as miscellaneous payments relating to vendor certification. Total tribal revenue, from all sources, is estimated at \$22.1 million in 1999-00 and \$24.5 million in 2000-01.

Under 1999 Act 9, the 1999-01 biennial budget act, \$22.4 million in 1999-00 and \$23.7 million in 2000-01 in tribal gaming revenue is allocated for a variety of purposes, including the state regulation and enforcement of tribal gaming. Based on the tribal gaming opening balance on June 30, 1999, the anticipated revenue in the 1999-01 biennium and the allocations under Act 9, the tribal gaming program revenue appropriation has an estimated balance of \$1,173,100 on June 30, 2001.

Eight of the 11 amended compact agreements contain government-to-government memoranda of understanding (MOU) relating to the use of the additional payments. The MOU all contain a provision that the Governor must undertake his best efforts, within the scope of his authority, to assure that monies paid to the state under the agreements are expended for specific

purposes. In most of the MOU, the specified purposes include: (a) economic development initiatives to benefit tribes and/or American Indians within Wisconsin; (b) economic development initiatives in regions around casinos; (c) promotion of tourism within the state; and (d) support of programs and services of the county in which the tribe is located. Several of the MOU add a fifth purpose relating to either law enforcement or public safety initiatives on the reservations.

While the MOU would appear to require the Governor to undertake his best efforts to assure that monies paid to the state are expended for specific purposes, the Legislature is not bound by the purposes specified in the MOU. The allocations under Act 9 do not entirely conform to the purposes specified in the MOU. The Legislature, subject to the Governor's veto authority, may determine how this revenue will be utilized by the state.

### SUMMARY OF BILLS

**SB 294.** SB 294 would provide \$1,075,000 GPR annually to DHFS to increase funding for the DHFS elderly nutrition program. Of these amounts, \$600,000 would be provided for home-delivered meals and \$475,000 would be provided for meals provided in congregate settings.

**AB 802.** AB 802 would provide \$1,000,000 (\$500,000 GPR and \$500,000 PR) in 2000-01 to increase funding for the DHFS elderly nutrition program. The PR funding would come from tribal gaming revenue transferred from the Department of Administration. The bill would also reduce the unreserved balance in the Joint Committee on Finance's program supplements appropriation by \$500,000 GPR in 2000-01 to offset the GPR provided for the elderly nutrition program. Of the amounts provided for elderly nutrition, \$450,000 PR would be provided for home-delivered meals and \$550,000 (\$500,000 GPR and \$50,000 PR) would be provided for meals served in congregate settings.

The bill would create two program revenue annual appropriations and would modify corresponding cross-references to reflect that tribal gaming revenue would be transferred to DHFS for two purposes within the same program, one for congregate meals, and the other for home-delivered meals. The bill could be amended to provide the PR funding in a single appropriation (while retaining the separate purposes) in order to simplify the Department's budget monitoring and administration of the program. \*

### FISCAL EFFECT

**SB 294.** SB 294 would increase GPR expenditures by \$1,075,000 GPR in both 1999-00 and 2000-01. Because DHFS contracts with agencies on a calendar year basis, all of the funding provided in the first year (\$1,075,000) and half of the amount provided in 2000-01 (\$537,500) would be added to the calendar year 2000 allocations. After 2000, on an annual basis, the allocations would increase by \$1,075,000.

**AB 802.** AB 802 would increase expenditures from tribal gaming revenue by \$500,000 annually, beginning in 2000-01. The bill has no net GPR fiscal effect, since increased funding for the elderly nutrition program would be offset by a decrease in GPR budgeted in the Committee's program supplements appropriation.

The estimated program revenue balance in the tribal gaming receipts appropriation would be sufficient to fund the elderly nutrition programs under AB 802 in the 1999-01 biennium. The unreserved balance in the Committee's program supplements appropriation at the end of the 1999-01 biennium is currently estimated at \$924,900.

It is expected that, if either bill were enacted, DHFS would distribute any additional funding based on the formula used to deliver current funding and therefore, each county's allocation would increase in proportion to its current allocation. It is not expected that DHFS would specify how the increased funds would be used, other than the allocation between congregate and home-delivered meals. However, DHFS would encourage programs to use the funds to expand their services to those not currently being served by the program or to those who are not receiving sufficient services.

Prepared by: Rachel Carabell and Art Zimmerman  
Attachment

**ATTACHMENT****DHFS Elderly Nutrition Program****Persons Served**

	<u>Congregate Meals</u>	<u>Home- Delivered Meals</u>	<u>Total</u>	<u>Annual Percent Change</u>
1994	88,861	23,165	112,026	—
1995	87,671	22,003	109,674	-2.1%
1996	84,524	21,283	105,807	-3.5
1997	83,381	21,690	105,071	-0.7
1998	83,754	21,748	105,502	0.4

**Number of Meals Provided**

	<u>Congregate Meals</u>	<u>Home- Delivered Meals</u>	<u>Total</u>	<u>Annual Percent Change</u>
1994	3,361,000	2,296,000	5,657,000	—
1995	3,279,000	2,362,000	5,641,000	-0.3%
1996	3,117,000	2,424,000	5,541,000	-1.8
1997	3,022,073	2,562,028	5,584,101	0.8
1998	2,929,959	2,585,790	5,515,749	-1.2

**Available Funding**

	<u>GPR</u>	<u>FED*</u>	<u>Total</u>	<u>Annual Percent Change</u>
1994	\$5,440,500	\$12,732,600	\$ 18,173,100	—
1995	5,463,700	12,736,000	18,199,700	0.1%
1996	5,463,700	12,565,200	18,028,900	-0.9
1997	5,463,700	12,730,900	18,194,600	0.9
1998	5,463,700	13,032,300	18,496,000	1.7
1999	5,463,700	12,865,900	18,329,600	-0.9
2000	5,463,700	13,427,400	18,891,100	3.1

\*Includes federal funds agencies receive directly from the USDA.



1999

Date (time)  
needed

TODAY

LRB s 0355/1

**SUBSTITUTE AMENDMENT  
[TO A BILL]**

DATE: 1/1/99  
cjs

Use the appropriate components and routines developed for substitute amendments.

~~S~~ (A) SUBSTITUTE AMENDMENT

TO 1999 ~~SB~~ (AB) 802 (LRB- 4/11)

AN ACT . . . [generate catalog] *to repeal . . . ; to renumber . . . ; to consolidate and renumber . . . ; to renumber and amend . . . ; to consolidate, renumber and amend . . . ; to amend . . . ; to repeal and recreate . . . ; and to create . . .* of the statutes; relating to: .....

[NOTE: See section 4.02 (2) (br), Drafting Manual, for specific order of standard phrases.]

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

SECTION #.

## 1999 ASSEMBLY BILL 802

February 25, 2000 - Introduced by Representatives SYKORA, PETTIS, PETROWSKI, AINSWORTH, SUDER, HUEBSCH, MONTGOMERY and GARD, cosponsored by Senators SHIBILSKI, BURKE, DRZEWIECKI, DECKER and CLAUSING. Referred to Joint committee on Finance.

*Reger*

- 1 **AN ACT to amend** 46.80 (5) (a); and **to create** 20.435 (7) (kn), 20.435 (7) (kp),  
2 20.505 (8) (hm) 18dm. and 20.505 (8) (hm) 18dn. of the statutes; **relating to:**  
3 supplemental funding for elderly nutrition programs and making  
4 appropriations.

### *Analysis by the Legislative Reference Bureau*

Under current federal law, this state receives federal moneys to maintain congregate nutrition projects that provide meals to person aged 60 and older. Under current state law, the department of health and family services (DHFS) must provide a state supplement of general purpose revenues to the federal congregate nutrition projects to enable expansion of these projects throughout this state. DHFS distributes these moneys to area agencies on aging in the state under formulas that DHFS has developed.

This bill increases the state supplement to federal moneys received for congregate nutrition projects for the elderly, by creating program revenue appropriations for fiscal year 2000-01 of \$450,000 and \$50,000, respectively, from tribal gaming receipts, and by decreasing by \$500,000 the general program supplementation general purpose revenues appropriation of the joint committee on finance of the legislature and increasing a general purpose revenue appropriation for programs for senior citizens by \$500,000 for fiscal year 2000-01 for congregate meals. Thus, the bill provides a state increased supplement in fiscal year 2000-01 to the federal congregate nutrition projects for the elderly of \$550,000 for congregate

**ASSEMBLY BILL 802**

meals, from program revenues and general purpose revenues, and \$450,000 for home-delivered meals, from program revenues.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

**SECTION 1.** 20.005 (3) (schedule) of the statutes: at the appropriate place, insert the following amounts for the purposes indicated:

			1999-00	2000-01
20.435	Health and family services, department of			
(7)	SUPPORTIVE LIVING; AIDS AND LOCAL ASSISTANCE			
(kn)	Elderly nutrition; home-delivered meals	PR-S A	-0-	500,000 <del>450,000</del>
(kp)	Elderly nutrition; congregate meals	PR-S A	0	50,000

**SECTION 2.** 20.435 (7) (kn) of the statutes is created to read: *and congregate*

20.435 (7) (kn) *Elderly nutrition; home-delivered meals*. The amounts in the schedule for home-delivered *and congregate* meals under the state supplement to the federal congregate nutrition projects under s. 46.80 (5) (a). All moneys transferred from the appropriation account under s. 20.505 (8) (hm) 18dm. shall be credited to this appropriation.

**SECTION 3.** 20.435 (7) (kp) of the statutes is created to read:  
20.435 (7) (kp) *Elderly nutrition; congregate meals*. The amounts in the schedule for congregate meals under the state supplement to the federal congregate

## ASSEMBLY BILL 802

1 nutrition projects under s. 46.80 (5) (a). All moneys transferred from the  
2 appropriation account under s. 20.505 (8) (hm) 18dn. shall be credited to this  
3 appropriation.

4 SECTION 4. 20.505 (8) (hm) 18dm. of the statutes is created to read:

5 20.505 (8) (hm) 18dm. The amount transferred to s. 20.435 (7) (kn) shall be the  
6 amount in the schedule under s. 20.435 (7) (kn).

7 SECTION 5. 20.505 (8) (hm) 18dn. of the statutes is created to read:

8 20.505 (8) (hm) 18dn. The amount transferred to s. 20.435 (7) (kp) shall be the  
9 amount in the schedule under s. 20.435 (7) (kp).

10 SECTION 6. 46.80 (5) (a) of the statutes is amended to read:

RESTORE TO  
PLAIN

11 46.80 (5) (a) From the ~~appropriation~~ ~~appropriations~~ under s. 20.435 (7) (dh),  
12 ~~(kn) and (kp)~~ the department shall provide a state supplement to the federal  
13 congregate nutrition projects under 42 USC 3030e, in effect on April 30, 1980, which  
14 will promote expansion of projects throughout the state. Except as provided in par.

15 (b), the department shall allocate these funds based on the formulas developed by the  
16 department under sub. (2m) (a) 2. A county that receives federal funds for congregate  
17 nutrition projects on or after July 1, 1977, may not receive under this paragraph an  
18 amount that is less than the 1976-77 allocation as a result of the program expansion.  
19 This paragraph does not require that federal limitations on the use of federal  
20 congregate nutrition funds for home delivered meals apply to the state supplement.

INSERT  
3-14

21 SECTION 7. Appropriation changes.

22 (1) SUPPLEMENTAL FUNDING FOR ELDERLY NUTRITION PROGRAMS; CONGREGATE  
23 MEALS. In the schedule under section 20.005 (3) of the statutes for the appropriation  
24 to the health and family services under section 20.435 (7) (dh) of the statutes, as  
25 affected by the acts of 1999, the dollar amount is increased by \$500,000 for fiscal year

1 2000–01 to to increase funding for congregate meals under the state supplement to  
2 the federal congregate nutrition projects under section 46.80 (5) (a) of the statutes.

3 **SECTION 8. Appropriation changes; joint committee on finance.**

4 (1) GENERAL PURPOSE REVENUE FUNDS GENERAL PROGRAM SUPPLEMENTATION. In the  
5 schedule under section 20.005 (3) of the statutes for the appropriation to the joint  
6 committee on finance under section 20.865 (4) (a) of the statutes, as affected by the  
7 acts of 1999, the dollar amount is decreased by \$500,000 for fiscal year 2000–01 to  
8 decrease funding for the purposes for which the appropriation is made.

9 (END)

INSERT 3-14

STATE OF WISCONSIN - LEGISLATIVE REFERENCE BUREAU - LEGAL SECTION  
(608-266-3561)

no #

and, from the appropriation under S. 20.435 (7)(K),  
the department shall provide a state supplement  
to the federal congregate nutrition projects  
of \$450,000 for home-delivered meals and \$50,000  
for congregate meals

all  
this  
material  
underscored